No: 021 /BCEL BOD
Date: 10/05/2024

Minutes

Annual General Meeting of BCEL's Shareholders for the year 2023

Date 29 April 2024

The Annual General Meeting of Shareholders of Banque pour le Commerce Exterieur Lao Public (BCEL) for the Year 2023 (hereinafter called: "The Meeting") was held at 14:30 on the 29 April 2024 at Lao Plaza Hotel, Vientiane Capital, and was presided over by Mr. Bounpone Vannachith, Chairman of BCEL's Board of Directors, together with Directors of the Board of Directors. The Meeting was attended by 36 shareholders, 188 proxies, and the total number of shares in the meeting was 179,578,228 shares, including 20,993,178 shares via proxies, which in total is equivalent to 86.451% of the total shares of BCEL and this made the quorum of the Meeting in accordance with the Articles of Association of BCEL and relevant regulations and laws. The number of shares not attending the Meeting was 28,145,072 shares, equivalent to 13.549% of the total shares of BCEL.

Chairpersons and the members of the Board of Directors attended the meeting consisted of:

1. Mr. Bounpone Vannachith, Deputy Minister of Finance, Chairman of the Board of Directors, Chairman of the Meeting;
2. Mr. Khamsouk Sundara, Independent Board Member, Vice Chairman
3. Mrs. Saysamone Chanthachack, Managing Director of BCEL, Board Member;
4. Mr. Pasomphet Khamtanh, Board Member;
5. Mr. Stephane Urbain, Representative of the strategic partner, COFIBRED;
6. Assoc. Prof. Thongphet Chanthanivong, Independent Board Member;
7. Mr. Sonexay Silaphet, Independent Board Member;
8. Mrs. Latdavanh Songvilay, Independent Board Member;

The Chairman of the Meeting introduced the rule of the Meeting and the voting procedure. After that, the Meeting was proceeded according to the agenda.

The Meeting has considered, commented and resolved each agenda as follows:

Agenda 1: Confirmation of the minutes of the Ordinary Shareholders' Meeting for the year 2022

Mrs. Saysamone Chanthachack, BCEL's Managing Director reported to the Meeting brief information of the minutes of the Ordinary Shareholders' Meeting for the year 2022 held on 27 April 2023. The minutes had been disclosed in compliance with the related regulations and the Meeting was requested to consider and approve the said minutes;

The Chairman provided an opportunity for shareholders to ask the question on this agenda. However, there were no questions.

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The Meeting resolved with the majority vote of the shareholders attending the Meeting as detailed below:

- Approved: 179,577,158 votes, equivalent to 99.999% of the total votes attending the Meeting.
- Disapproved: 1,070 votes, equivalent to 0.001% of the total votes attending the Meeting.

Agenda 2: Consider and approve the annual report of performance and financial statements BCEL for the year 2023

Mrs. Saysamone Chanthachack, BCEL's Managing Director reported to the meeting the annual report of performance and audited financial statements of BCEL for the year 2023 which included some of the key information as follows:

- Held the Annual General Shareholders' Meeting for the year 2022 and completed the payment of dividend at 100 LAK per share to BCEL's shareholders;
- Held the Ordinary Meeting of BCEL's BOD for 4 times and 1 Extraordinary Meeting;
- Classified the performance of all branches and services units in 2023; summarized the implementation of KPI to the branches for the year 2022 and determined the KPI for the year 2023;
- Provided sales of BOL's bonds Phase II for two times (for the second and third lot)
- Completed the development of IT tools, released the new products and services: Go-Live the LOS for credit approval process; developing the new function on BCEL One Application: Tipme, OneX, Yuan Currency Fund Transfer via WeChat, OneCash Wallet for Foreigners, Consumer Loan; online queue booking; Function for BOL's bond reservation; Currency Exchange (Exchange Market); Development of EzyKip Application for tourists visiting Lao PDR and etc.
- Opened 2 service units: Lao-Bao Service Unit and Golden Triangle Service Unit
- Cooperated with business partners: cooperated with Tencent of China on the project of fund transfer via BCEL to WeChat; cooperated with KEB Hana Bank, South Korea on the project of Cross-Border QR Payment via GLN flatform to scan at BCEL OnePay and launched the project on Cross-Border Fund Transfer from Korea to Laos (BCEL and GLN International); cooperated with Lao-China Railway Company Limited on selling the railway tickets via LCR application, which the payment to be made via BCEL One application, and cooperated with Prudential Laos to provide a platform for the purchase of life insurance via BCEL One;
- Received Lao Business Leader Award 2022 and 4 honorable awards from VISA Client forum 2023, including ❶ Leadership in Cross-border Payment Volume 2023, ❷ Leadership in Merchant Sales Volume 2023, ❸ Leadership in Excellent for CP Approval Rate 2023, and ❹ Leadership in Payment Volume 2023.

Business results for the year 2023 audited by PWC and approved by BCEL's Board of Directors are the following:

- Assets: 126,433,759 LAK million, 127.10% compared with the year 2023 plan;
- Loans: 52,198,063 LAK million, 104.29% compared with the year 2023 plan;
- NPL: 1.92%;

- Deposits: 117,626,838 LAK million, 129.26% compared with the year 2023 plan;
- Profit after tax: 231,408 LAK million, 115.70% compared with the year 2023 plan.

After that, the Chairman proposed to shareholders to ask the question on this agenda. There were comments and questions as follows:

❖ **Mr Sonenalin Sengmany** reported the question that he received in advance from **Mr. Kraiwal Kadavanich**, representative of Thai Shareholder Association, seeking explanation on what 4 honorable awards that BCEL received in 2023 represent.

➢ **Mr. Nanthalath Keopaseuth** described that BCEL received four prestigius awards in 2023 for its VISA Card Services. These awards included: Having the highest volume of customers using the card in foreign countries; the award for the top sales volume to foreigners in Laos (Top volume of foreigners using the card via BCEL POS in Laos); the award for the top approval transaction (with fewer transactions being declined/having problems), and receiving recognition for the top sales volume of total cards compared to other banks in Laos. These four awards were received from VISA International in 2023.

The Meeting resolved with the majority vote of the shareholders attending the Meeting as detailed below:

– Approved: 179,577,158 votes, equivalent to 99.999% of the total votes attending the Meeting.
– Disapproved: 1,070 votes, equivalent to 0.001% of the total votes attending the Meeting.

Agenda 3: Consider and approve the allocation of the profit for the year 2023 into reserves and dividend payment

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the Meeting to consider and approve the allocation of the profit for the year 2023 into regulatory reserves and dividend payment for the shareholders as follows:

- Regulatory reserve: **10%**;
- Dividends: **300 LAK/Share;** Total dividend amount of **62,316,990,000 LAK**;
- The remaining shall be allocated into the business expansion fund;
- Dividend payment date: **14/05/2024**.

After that, the Chairman proposed to shareholders to ask the question on this agenda, However, there were no questions:

The Meeting resolved with the majority vote of the shareholders attending the Meeting as detailed below:

– Approved: 179,569,858 votes, equivalent to 99.995% of the total votes attending the Meeting.
– Disapproved: 8,370 votes, equivalent to 0,005% of the total votes attending the Meeting.

Agenda 4: Consider and approve the Plan for the year 2024

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the Meeting to consider and approve the plan for the year 2024, which has some key targets and figures as follows:

- Assets: no less than 140,795,000 LAK million, increase 11.36% compared with the year 2023;
- Deposits: no less than 130,000,000 LAK million, increase 10.52% compared with the year 2023;
- Loans: no less than 59,470,000 LAK million, increase 13.93% compared with the year 2023 or the loan/deposit ratio of not less than 45%;
- NPL: no more than 3%;
- Net profit (after tax): no less than 300,000 million LAK, increase 29.64% compared with the year 2023;
- Service unit expansion: 4 service units; relocate 1 service unit;
- Procurement, construction and maintenance focuses mainly on the ongoing projects, replacement of broken items and procure only the necessary, in total of 585.10 LAK billion;
- Recruitment of 66 new employees

After that, the Chairman proposed to shareholders to ask the question on this agenda, However, there were no questions:

The Meeting resolved with the majority vote of the shareholders attending the Meeting as detailed below:

- Approved: 179,577,158 votes, equivalent to 99.999% of the total votes attending the Meeting.
- Disapproved: 1,070 votes, equivalent to 0.001% of the total votes attending the Meeting.

Agenda 5: Consider and approve the appointment of the independent auditor for the year 2024.

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the meeting to approve the EY as the external auditor of the year 2024 and the reports to be issued include the following:

1) Audit report on the financial statements in accordance with LAS;
2) Audit report on the financial statements in accordance with IFRS special purpose;
3) Management Letter;
4) Operational review report;
5) Loan review report.

The Chairman proposed the shareholders to ask the question on this agenda. However, there were no questions.

The Meeting resolved with the majority vote of the shareholders attending the Meeting as detailed below:

- Approved: 179,577,158 votes, equivalent to 99.999% of the total votes attending the Meeting.
- Disapproved: 1,070 votes, equivalent to 0.001% of the total votes attending the Meeting.

Agenda 6: Consider and approve the appointment of the member of BCEL's Board of Directors

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the meeting to approve the appointment of Dr. Akhom Praseuth as Vice Chairman to replace Mr. Khamsouk Sundara, who has completed his terms. Therefore, the members of BCEL's Board of Directors shall consist of the following:

1. Mr. Bounpone Vannachith,	Vice Minister of Finance, Chairman
2. Dr. Akhom Praseuth	Director General of the Banking Institute, as Vice Chairman
3. Mrs. Saysamone Chanthachack	Managing Director of BCEL, as Director
4. Mr. Pasomphet Khamtanh	Deputy Director General, Department of State-Owned Enterprises Reform and Insurance, as Director
5. Mr. Stephane Mangiavacca	COFIBRED Representative, as Director
6. Assoc. Prof. Thongphet Chanthanivong	Independent Director
7. Mrs. Latdavanh Songvilay	Independent Director
8. Mr. Sonexay Silaphet	Independent Director

The Chairman proposed the shareholders to ask the question on this agenda. However, there were no questions.

The Meeting resolved with the majority vote of the shareholders attending the Meeting as detailed below:

- Approved: 179,577,158 votes, equivalent to 99.999% of the total votes attending the Meeting.
- Disapproved: 1,070 votes, equivalent to 0.001% of the total votes attending the Meeting.

Agenda 7: Consider and approve the change of BCEL's share par value

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the meeting to approve the change of BCEL's share par value by stock split: This is to stimulate more trading of BCEL's shares on the Lao Securities Exchange and make BCEL's shares more accessible to investors at a lower price while still maintaining the same market value. BCEL, in collaboration with relevant regulators, has sought feasibility to change the par value of BCEL's share by stock split at a ratio of 1/5. This means that the original par value of 5,000 LAK per share will be adjusted to 1,000 LAK per share. Consequently, the number of shares of BCEL will increase from currently 207,723,300 shares to 1,038,616,500 shares, while maintaining the same registered capital, preserving the market value in the Lao Securities Exchange, and keeping the shareholders' ownership proportions unchanged.

The Chairman proposed the shareholders to ask the question on this agenda and there were comments and questions as follow:

- **Mr. Keotadam Manalom, Shareholder**: asked BCEL to explain more about the stock split as for his understanding, for example, the shareholders have 80,000 shares with the value of 400 million LAK, the value of share may somehow reduce after the stock split.

➢ **Mrs. Saysamone Chanthachack** explained that some listed companies have previously changed the Par Value by stock split in the global stock market. With regard to the example raised by the shareholder, the value of shares would remain at 400 million LAK, while the number of shares would increase fivefold from 80,000 shares to 400,000 shares. This change would stimulate more trading, as the shareholder could sell their share partially, and investors could purchase shares without needs to invest a high amount of money or having high capital to be able to buy shares; In the future, BCEL plans to pay bonuses to the employees in form of shares. If the value of share is high, the number of shares received may not be substantial, which may not be attractive to the employees.

➢ **Mr Bounpone Vannachith:** The additional explanation from the Managing Director of BCEL indicates that the change of share par value by stock split will not have a negative impact. Instead, it will add more value and convenience to the trading of shares.

The Meeting resolved with the majority vote of the shareholders attending the Meeting as detailed below:

- Approved: 179,577,158 votes, equivalent to 99.999% or an approximate equivalent to 3/3 of the total votes attending the Meeting and equivalent 86.450% of the total BCEL shares.
- Disapproved: 1,070 votes, equivalent to 0.001% or an approximate equivalent to 0/3 of the total votes attending the Meeting and an approximate equivalent to 0.001% of total BCEL shares.

Agenda 8: Consider and approve the amendment of BCEL's Articles of Association

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the meeting to approve the amendment of BCEL's Articles of Association to the align with the restructuring of the committees under the supervision of the Board of Directors, reducing the number from 5 to 4 committees to be more compact and enhance operational flexibility. This restructuring was approved by the relevant regulators. Moreover, BCEL has also proposed to change the share par value as outlined in the agenda above.

As a result, these changes require the amendment of some articles in the Articles of Association of BCEL pertaining to shares and Board of Directors' committees to align with these changes. This amendment will reduce BCEL's Articles of Association from 73 to 72 articles.

The Chairman proposed the shareholders to ask the question on this agenda and there were comments and questions as follow:

❖ **Mr Kraiwal Kadavanich** from Thai Shareholder Association: This agenda, the Managing Director of BCEL presents the amendment of BCEL's Articles of Association (AOA) to the align with the change of share par value and the restructuring of the committees under the supervision of the Board of Directors. In his opinion, the change of share par value may only requires amending the registration, which is not related to the amendment of BCEL's AOA. Therefore, matter to propose to the meeting for approval in this agenda should be divided into 2 matters including: the change of the BOD committee's name and the decrease in the number of committees from 5 committees to 4 committees. The change of share par value in agenda 7 may process in the same time for convenience purposes but the amendment of AOA is not related to the share matter.

➢ **Mrs. Saysamone Chanthachack** expressed gratitude for Mr. Kraiwal's comments. She acknowledged that there may be different perspectives on the matter. BCEL intends to make the amendment of AOA simple and concise, as there are two changes involved: the BOD's committees and the change of share par value. Therefore, these are proposed together at one time, to ensure simplicity and save time so as to be a reference for further proposal to the regulator or relavant ministry.

➢ **Mr. Sonenalin Sengmany** also answered Mr. Kraiwal's question regarding the change of par value of BCEL's shares. He explained that the par value of share is stipulated in BCEL's Articles of Association (AOA), and therefore, any change in the par value of shares requires an amendment to the AOA in that particular provision. It is also a requirement of the listed companies to propose the registration of the change of share par value along with the AOA accordingly amended. Regarding the reduction of the number of committees from 5 to 4 committees, which requires a reduction in BCEL's AOA from 73 to 72 articles, the amendment does not constitute the duties of any committees to be removed, but rather those duties are combined with the function of the committee which they are merged.

The Meeting resolved with the majority vote of the shareholders attending the Meeting as detailed below:

- Approved: 179,577,158 votes, equivalent to 99.999% or an approximate equivalent to 3/3 of the total votes attending the Meeting and equivalent 86.450% of the total BCEL shares.
- Disapproved: 1,070 votes, equivalent to 0.001% or an approximate equivalent to 0/3 of the total votes attending the Meeting and an approximate equivalent to 0.001% of total BCEL shares.

Other comments and suggestion:

❖ **Mr Kraiwal Kadavanich** asked for clarification to be a knowledge regarding the award received by BCEL has an abbreviation CP, what does it stand for ?, In NPL that BCEL presented, does it include the unpaid fees? Product fees (not loan) which its term has finished but no repayment made yet will be included in NPL or not?

- Congratulated BCEL as it has been observed that the meeting minutes of the previous shareholders' meeting was correct and well translated. However, some vocabulary in the translation will be informed to BCEL team later for proper and suitable vocabulary as they are technical words to prevent confusion of the readers. Additionally, the Managing Director of BCEL has convey the suitable meaning and clearly explained the contents of Agenda 7.

- **Mr Nanthalath Keopaseuth** explained that "CP" stands for "Card Present", a specific term that refers to the physical use of a card for making a payment, as opposed to the use of card online.
- **Mr. Bounthan Keoboupha** explained regarding credit matters, since the loan approval fees are charged before loan disbursment, so there is no oustanding fee. Any outstanding of principal and interest will be solved in compliance with regulations.
- **Mrs Saysamone Chanthachack:** NPL figures represent the liabilities particularly from loan customers. The customers who are classified as NPL is obliged to the liablibities including both principal and interest (regular interest, downgraded interest and penalty interest). Should any fees are unpaid they shall be included in the principal amount that must be repaid by the customers.

The Chairman expressed his appreciation to the shareholders and the proxies for their kind attendance at the Meeting and announced the Meeting closed at 16:00 hrs. of the same day.

Chairman	**Recorder**
Bounpone Vannachith	**Sonenalin Sengmany**